C/025/005 Incoming

#3799

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Coal Hollow Project

Alton Coal Development, LLC
463 North 100 West, Suite 1
Cedar City, Utah 84720
Phone (435) 867-5331 • Fax (435) 867-1192

Date: March 22, 2011

Daron R. Haddock
Coal Program Manager
Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Subject: Drainage control adjustments, Alton Coal Development LLC, Coal Hollow Mine, C/025/0005

Dear Mr. Haddock,

During the Division's complete inspection conducted by Joe Helfrich and April Abate on February 23 and March 2, 2011, it became apparent that there was a need for adjustment to some drainage controls. The attached document addresses these issues included in your March 9th letter.

At this time Alton Coal Development would also like to request a meeting with you and members of your team to review the progress made to date in the development of the mine and to review any other potential issues with the MRP and how they would be best addressed. At your earliest convenience, Larry Johnson and I would make ourselves available.

Please let me know if you have any questions or concerns.

Sincerely

B. Kirk Nicholes
Environmental Specialist

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MAR 28 2011
DIV. OF OIL, GAS & MINING

File in:
☐ Confidential
☐ Shelf
☒ Expandable
Date Folder 03282011 C/ 0250005

Response to March 9, 2011 Letter

- **Sediment and drainage controls need to be put in place along the upper portion of the road leading to the office trailer. The ditch along the western side of the road appeared to have been removed due to snow plowing;**

  At the time of the inspection this section of the borrow ditch had not had snow removed from it. The ditch did exist and ADC has completed work to ensure that runoff from the Mine Office transitions better into this portion of the road drainage.

- **Update maps 5-34 and 5-39 in the mining and reclamation plan (MRP) with sediment pond 1B depicted;**

  Maps 5-34 and 5-39 have been updated to reflect the location Pond 1B. Six clean copies are included along with C1 and C2 forms.

- **Submit a plan to implement sediment and drainage controls in the area southwest of Pond 1B (adjacent to the mine entrance);**

  As currently designed, approximately 33,400 sqft of disturbed area including roadway, drain from the facilities area to the county road. ACD proposes to treat the sediment/drainage with straw bales located just prior to discharge at the gate for the facilities.

- **Submit a plan to implement sediment and drainage controls in the area southwest of Pond 2;**

  A diversion ditch has been installed to help manage sediment and drainage from the area down gradient of and southwest of pond 2. The termination of this ditch will vary over time as the pits located in the SW ¼ of the SE ¼ of Sec 19 T 39 s. R 5 w. are developed.

- **Submit a plan to implement sediment and drainage controls at the outfall of the natural channel of Lower Robinson Creek where it meets the outfall of the temporary diversion ditch for Lower Robinson Creek to prevent sediment and run off from exiting the permit area via Lower Robinson Creek;**

  During the time period that the temporary diversion ditch for Lower Robinson Creek exists, until the reestablishment of Lower Robinson Creek, a portion of the natural channel will remain could potentially contribute sediment/drainage to the natural Lower Robinson Creek. Alton Coal Development, LLC (ACD) has engineered a dike to be placed in Lower Robinson Creek immediately above the location of where the Lower Robinson Creek Diversion reenters the natural Lower Robinson Creek channel (see revised Drawing 5-20) for your review and approval.

  It has been determined that during the time that the diverted portion of Lower Robinson Creek with the Topsoil removed and when this area is actually mined, has the potential to contribute water and associated sediment from an area of approximately 187,408 sqft of disturbed area to the natural Lower Robinson Creek. Direct precipitation to this area without vegetation and topsoil during a 100 year, 24 hour storm event (3.1 inches of precipitation) would generate a volume of 48,414 cubic feet of water. An earthen dike sufficient to contain this volume of water constructed in a location of where the Lower Robinson Creek Diversion reenters the natural Lower Robinson Creek channel has been computed as follows:

Dam Height	Elevation	Area (sqft)	Storage Volume (cuft)	Cum. Storage Volume (cuft)
5	6830	10,357	62,142	161,343
4	6829	8,753	43,763	99,201
3	6828	7,148	28,593	55,438
2	6827	5,544	16,631	26,845
1	6826	3,939	7,879	10,214
0	6825	2,335	2,335	2,335

From the above table a 3 foot earthen dike would be sufficient to contain precipitation from the 100 year, 24 hour storm. ACD proposes to build the earthen dike 5' high and protect this with a minimum 1' diameter Rip-Rap on both the upstream and down slopes thus protecting the structure from potential high velocity flows from the temporary diversion into the natural Robinson Creek drainage. A 5' earthen dike also provides sufficient volume for containment of sediment that could possibly be generated during reclamation activities.

- **Submit a corrective action plan for the existing sediment controls and a plan to extend sediment and drainage controls along the northwestern permit boundary that parallels Lower Robinson Creek.**

Silt fences were used initially to prevent runoff from entering Lower Robinson Creek (until the permanent Diversion Ditch 4 can be built in the reclaimed Spoils Pile). Heavy snows pulled the silt fence down and allowed snow melt to pass into Lower Robinson Creek. A more reliable plan has been implemented. A temporary diversion ditch has been installed meeting the designed sizing of the more permanent diversion ditch 4. The placement of this temporary ditch can be seen on the ACD's weekly mine map (included) passing through the spoils pile and terminating above Pond 3. Throughout construction of the spoils pile, until the spoils pile reaches the elevation that the permanent Diversion Ditch 4 can be constructed, this ditch will be rerouted as needed. The location of two additional temporary Diversion Ditches are shown also on this weekly mine map, there construction also meet the minimum design criteria of the permitted Diversion Ditches. There function is to temporarily divert precipitation around the current pit and they will periodically be relocated for the pending pit.

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change ☒ New Permit ☐ Renewal ☐ Exploration ☐ Bond Release ☐ Transfer ☐

Permittee: Alton Coal Development, LLC

Mine: Coal Hollow **Permit Number:** C/025/0005

Title: Updated maps 5-34 and 5-39 in the MRP to include Pond 1B, Revised map 5-20

Description, Include reason for application and timing required to implement:

Requested update by DOGM

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

☐ Yes ☒ No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ ☐ increase ☐ decrease.
☐ Yes ☒ No 2. Is the application submitted as a result of a Division Order? DO# _____
☐ Yes ☒ No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
☐ Yes ☒ No 4. Does the application include operations in hydrologic basins other than as currently approved?
☐ Yes ☒ No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
☐ Yes ☒ No 6. Does the application require or include public notice publication?
☐ Yes ☒ No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
☐ Yes ☒ No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
☐ Yes ☒ No 9. Is the application submitted as a result of a Violation? NOV # _____
☐ Yes ☒ No 10. Is the application submitted as a result of other laws or regulations or policies?
Explain: _____

☐ Yes ☒ No 11. Does the application affect the surface landowner or change the post mining land use?
☐ Yes ☒ No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
☐ Yes ☒ No 13. Does the application require or include collection and reporting of any baseline information?
☐ Yes ☒ No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
☐ Yes ☒ No 15. Does the application require or include soil removal, storage or placement?
☐ Yes ☒ No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
☐ Yes ☒ No 17. Does the application require or include construction, modification, or removal of surface facilities?
☐ Yes ☒ No 18. Does the application require or include water monitoring, sediment or drainage control measures?
☒ Yes ☐ No 19. Does the application require or include certified designs, maps or calculation?
☐ Yes ☒ No 20. Does the application require or include subsidence control or monitoring?
☐ Yes ☒ No 21. Have reclamation costs for bonding been provided?
☐ Yes ☒ No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
☐ Yes ☒ No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

B. Kirk Nicholes
Print Name

B. Kirk Nicholes Environmental Specialist 3/21/11
Sign Name, Position, Date

Subscribed and sworn to before me this 21 day of March, 2011

Betty J. Dodenbier
Notary Public

My commission Expires: 3/5, 2013 }
Attest: State of Utah } ss:
County of Iron

NOTARY PUBLIC
BETTY JO DODENBIER
578181
COMMISSION EXPIRES
MARCH 5, 2013
STATE OF UTAH

For Office Use Only:	**Assigned Tracking Number:**	**Received by Oil, Gas & Mining** RECEIVED MAR 28 2011 DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING
Detailed Schedule Of Changes to the Mining And Reclamation Plan

Permittee: Alton Coal Development, LLC

Mine: Coal Hollow **Permit Number:** C/025/0005

Title: Updated maps 5-34 and 5-39 in the MRP to include Pond 1B

Provide a detailed listing of all changes to the Mining and Reclamation Plan, which is required as a result of this proposed permit application. Individually list all maps and drawings that are added, replaced, or removed from the plan. Include changes to the table of contents, section of the plan, or other information as needed to specifically locate, identify and revise the existing Mining and Reclamation Plan. Include page, section and drawing number as part of the description.

DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED

☐ Add ☒ Replace ☐ Remove Updated maps 5-20, 5-34 and 5-39
☐ Add ☐ Replace ☐ Remove
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Any other specific or special instruction required for insertion of this proposal into the Mining and Reclamation Plan.	**Received by Oil, Gas & Mining** RECEIVED MAR 28 2011 DIV. OF OIL, GAS & MINING

Form DOGM - C2 (Revised March 12, 2002)